California Energy Commission 2006-2007 Integrated Energy Policy Report Committee and CPUC Commissioner John Bohn Mid-Course Review of the Renewables Portfolio Standard Process (2nd workshop)

August 22, 2006 Workshop in Sacramento, California Hearing Room A

AGENDA

9:30 AM Introduction and Opening Remarks

9:45 AM Roundtable Discussion: Benchmarking the Time of Delivery Factors

Given the magnitude of uncertainty in natural gas price forecasts, can the market price referent (MPR) and time of delivery factor (TOD) methodologies be made less complicated, more transparent, and more consistent with similar market estimates used for energy efficiency and for non-renewable procurement processes?

- Presenters:
 - 1) Rich McCann, M.Cubed Comparison of natural gas price forecasts used in California policy decisions
 - 2) Snuller Price, E3 Consulting Comparison of TOD factors and similar time-varying factors used in electricity procurement
 - 3) Tony Goncalves, Energy Commission staff The potential to game SEP payments by adjusting generation profiles to TOD factors

10:45 AM

- Discussion Moderator: Snuller Price, E3 Consulting
- Discussion and Q&A

Paul Douglas (CPUC staff)
Tony Goncalves (Energy Commission staff)
Patrick McGuire (CalWEA/CBE)
Steven Kelly (IEP)

Greg Morris (GPI) Roy Kuga (PG&E) David Barker (SDG&E) Stu Hemphill (SCE)

Public Comment

11:45 AM Lunch Break

12:45 PM Roundtable Discussion: 1) reducing contract failure; and, 2) streamlining bilateral contracts to achieve 33 percent by 2020

Reflecting the IOUs high level of commitment to achieve 20 percent by 2010, efforts to keep contract failure to a minimum, and the inherent uncertainties of new power plant development, how can the IOUs and others work with developers to make sure milestones are met and contracts result in on-line power plants?

Given the predominant support at the July 6, 2006 workshop to retain the structure of the RPS solicitations through 2010, can the bilateral contracting process be streamlined to ramp up the pace of renewables development consistent with the longer term goal of 33 percent by 2020?

12:45 PM

- Presenters:
 - 1) Kevin Porter, Exeter Associates, Inc. Overview of European feed-in tariff
 - 2) Kevin Porter, Exeter Associates, Inc. Renewable energy contract failure
 - 3) Mark Bruce Renewable energy development in Texas (by telephone link)
 - 4) Roger Johnson, Energy Commission staff Permitting assistance during the 2001 energy crisis

1:45 PM

- Discussion Moderator: Kevin Porter, Exeter Associates, Inc.
- Discussion and Q&A:

John Galloway (UCS)
Nancy Rader (CalWEA)
Matt Freedman (TURN)
Greg Morris (GPI)

Roy Kuga (PG&E) Stu Hemphill (SCE) Daniel Frank (SDG&E) Steven Kelly (IEP)

Diane Fellman (FPL Energy)

Public comment

3:00 PM Break

3:15 PM Roundtable Discussion: How can the following be revised to better support reaching 33 percent by 2020:

- 1) Transmission Ranking Cost Reports/their use in bid evaluation,
- 2) Interconnection queue policies?

In support of the 33 percent by 2020 goal, how can the transmission ranking cost reports (TRCR) used in evaluating bids in competitive RPS solicitations, the California Independent System Operator (CA ISO) interconnection queue, and CA ISO cost allocation process be revised to encourage the most cost-effective timing and scale for infrastructure and project development in areas known to have large-scale potential for renewable energy?

3:15 PM

- Presenters:
 - 1) Saeed Farrokhpay (FERC) FERC generator interconnection and transmission expansion cost allocation policies
 - 2) Chjifong Thomas (PG&E), Pat Arons (SCE), Linda Brown SDG&E How are transmission and TRCRs used to evaluate RPS bids?

3:55 PM

Discussion and Q & A, Moderator: Kevin Porter, Exeter Associates, Inc.

Rich Ferguson (CEERT)
Robin Smutny-Jones (CAISO)
Paul Steckley (CAISO)
Nancy Rader (CalWEA
Chris Elllison (AWEA)

Greg Morris (GPI) Linda Brown (SDG&E) Chjifong Thomas (PG&E) SCE Pat Arons

Public comment

5:00 Adjourn